

TEXAS APPRAISER LICENSING
AND CERTIFICATION BOARD

vs.

ROY EMMETT KRUEMCKE, JR.
TX-1325058-R

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DOCKETED COMPLAINT NO.
06-111

AGREED FINAL ORDER

On this the 5th day of Oct, 2007, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Roy Emmett Kruemcke, Jr., (Respondent). The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

FINDINGS OF FACT

1. Respondent Roy Emmett Kruemcke, Jr. is a Texas state certified residential real estate appraiser, holds certification number TX-1325058-R, and has been certified by the Board during all times material to the above-noted complaint case.
2. Respondent is subject to the jurisdiction of the Board, the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq. (Vernon 2005) (the Act), the Rules of the Board, 22 TEX. ADMIN. CODE §§153, 155, 157 (West 2005) (the Rules), and the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the appraisal.
3. On or about February 10th and March 8th, 2006 Respondent appraised 204 acres of vacant real property located along County Road 129 Easement, Dime Box, Lee County, Texas ("the property").
4. On or about April 16th, 2006, the Complainant, Edward Witte of Lincoln, Texas, complained to the Board alleging that the Respondent had produced an erroneous appraisal report for the property.
5. On or about April 17th, 2006, the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. § 2001, and TEX. OCC. CODE CHPT. 1103, notified Respondent of the nature and accusations involved and Respondent was afforded an opportunity to respond to the accusations alleged by the Complainant. Respondent's response was received.
6. The Enforcement Division has concluded that the Respondent violated 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report:
 - a. USPAP Standards 1-2(a) & 2-2(b)(i) – Respondent failed to identify the client and other intended users of the appraisal;

- b. USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide a summary of his rationale for his determination of the property's highest and best use;
- c. USPAP Standards 1-4(a) & 2-2(b)(viii) – Respondent failed to collect, verify, analyze and reconcile comparable sales data adequately;
- d. USPAP Standards 1-1(a) & 1-4(a) – Respondent failed to employ recognized methods and techniques correctly in his sales comparison approach;
- e. USPAP Standards 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to reconcile the quality and quantity of the data within the approaches used, and the applicability or suitability of the approaches. Respondent's concluded value is well beyond the range of value reached in his sales comparison analysis;
- f. USPAP Standard 1-1(a) – Respondent failed to correctly employ recognized methods and techniques to produce a credible appraisal;
- g. USPAP Standard 1-1(b) – As noted above, Respondent committed substantial errors of omission or commission that significantly impacted his appraisal;
- h. USPAP Standard 1-1(c) – For the reasons noted above, Respondent rendered appraisal services that were careless or negligent;
- i. USPAP Standard 2-1(a) – Respondent produced an appraisal report that was misleading because of the lack of detail analysis of the sales and the failure to include necessary report requirements mandated by USPAP; and,
- j. USPAP Standards 2-3 & 2-2(b)(xii) – Respondent failed to include a signed certification in his report.

CONCLUSIONS OF LAW

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq. (Vernon 2005).
2. Respondent violated the following USPAP provisions as prohibited by 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a): USPAP Standards Rules: 1-2(a) & 2-2(b)(i); 1-3(b) & 2-2(b)(ix); 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii); 1-1(a); 1-1(b); 1-1(c); 2-1(a); and, 2-3 & 2-2(b)(xii).

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that the Respondent:

- a. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- b. Attend and complete a minimum, 30 classroom-hour course in rural case studies or rural appraisals;
- c. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future, or be subjected to further disciplinary action.

ALL CLASSES required by this Agreed Final Order must be classes approved by the Board and must be completed within **TWELVE MONTHS** of the date of this Order and documentation of attendance and successful completion of the educational requirements of this Order shall be delivered to the Board on or before the end of the twelve-month period indicated. None of the classes or seminars required by this Order may be taken through correspondence courses. All classes must be in-class, have an exam, and Respondent must have a passing grade on the exam given in each class. None of these required classes will count toward Respondent's continuing education requirements for certification.

Failure to complete the education required by this Agreed Final Order within the time allotted shall result in **IMMEDIATE SUSPENSION** of the Respondent's certification pursuant to notice to the Respondent from the Board indicating that the Respondent has not fulfilled the educational requirements of this Agreed Final Order.

ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS. Respondent shall be notified of any such suspension or lifting of probation by certified mail, return receipt requested, to the last known address as provided to the Board. If Respondent's certification is suspended on such a basis, the suspension shall remain in effect until such time as Respondent pays the Administrative Penalty or takes and passes the required educational courses and provides adequate documentation of same to the Board.

Respondent, by signing this Agreed Final Order, neither admits nor denies that the findings of fact and conclusions of law herein set forth are correct; however, Respondent consents to the entry of this Agreed Order to avoid the expense of litigation and to reach an expeditious resolution of this matter. Respondent also agrees to satisfactorily comply with the mandates of this Agreed Final Order in a timely manner.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published in the Board's newsletter and/or on the Board's web site.

THE DATE OF THIS CONSENT ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Consent Order by the Texas Appraiser Licensing and Certification Board vote.

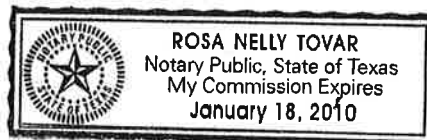
Signed this 12 day of September, 2007.


ROY EMMETT KRUEMCKE, JR.

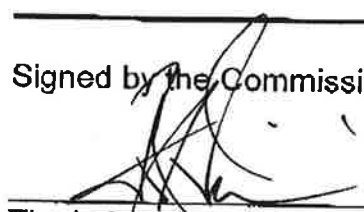
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 12th day of September, 2007, by ROY EMMETT KRUEMCKE, JR., to certify which, witness my hand and official seal.


Notary Public Signature

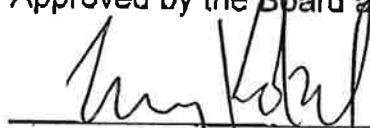
Rosa Nelly Tovar
Notary Public's Printed Name



Signed by the Commissioner this 4th day of October, 2007.


Tim Irvine, Commissioner
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 5 day of Oct, 2007.


Larry Kokel, Chairperson
Texas Appraiser Licensing and Certification Board